

C A L I F O R N I A

N e i g h b o r h o o d s

Department of Housing and Community Development

Doing what works best in housing

HCD is recognized in state law as the lead housing policy agency within the state, and this is a responsibility which we intend to emphasize in 1998. In doing so, we hope to obtain a lot of comment and participation from local governments, housing nonprofit groups and for profit entities which build or manage housing.

"Best use" of housing funds will be a major focus for HCD in the coming year. One way we intend to pursue this goal is to learn more about the redevelopment agencies (RDA) which exist throughout the state, and the successes they have had or roadblocks they have faced in developing housing with their 20 percent set-aside funds. We have established a schedule of visits to randomly selected RDAs throughout the state to see what is being done, what works best and what HCD can do to assist with housing development.

"Best quality project monitoring" will be another major focus for the year. We are in the process of reviewing the monitoring requirements and performance levels of our HOME



program recipients and applying a more uniform standard to municipalities and nonprofit groups which are eligible to service HOME loans. The intended outcome is to have safe, well-maintained and affordable

housing available in local communities for the longest possible period. We are also looking at new ways to provide better servicing to our HCD state-financed housing developments, and to avoid duplication with other funding agencies.

We have several efforts underway to study, streamline and standardize housing program funding mechanisms, including our efforts to create a "model program" for housing finance. It is our hope that by looking at the state-financed programs of the past and seeing what worked and what did not, that we can work with the legislature to create cost-effective and workable models for the future.

In short, you can expect to see a renewed emphasis at HCD on learning about what works best in housing and in creating new policy options for the future. We hope that those of you with ideas and suggestions will share them with us so that we can best meet our

"Best use of housing funds will be a major focus for HCD..."

goals of creating new housing opportunities in the state.

Richard E. Mallory
Richard E. Mallory, Director

People News

It was 'Friday the 13th' of March and truly a bad luck day for the Department, specifically for the Division of Community Affairs. Deputy Director Duncan L. Howard (former Deputy Director for the Division of Administration and Management) left HCD to pursue other endeavors. His decision seems to mark the end of a long chapter in Duncan's story and we wish him well and much success.

There was a silver lining in Duncan's departure. We now have William "Bill" Pavão as Acting Deputy Director. Bill has been with the Department since 1983 and most recently served as Manager for the CDBG Program. While we will miss Duncan, we know and respect Bill and look forward to his management of the Division.

February/March 1998

COMMUNITY AFFAIRS

The Division of Community of Affairs assists development of jobs and affordable housing for low-income individuals, families, and special needs populations. The Division awards loans and grants or provides technical assistance to local governments and housing, economic and community development organizations. The programs administered by the Division provide funds and assistance for a variety of purposes, including:

- public facility improvements;
- rental housing rehabilitation and new construction;
- rehabilitation of owner-occupied homes;
- job preservation and creation;
- development and operation of migrant farmworker housing; and
- development and operation of emergency housing and assistance for the homeless.



Programs

California Indian Assistance Program

California Self-Help Housing Program

Child Care and Development Facilities

Emergency Housing and Assistance Program

Emergency Shelter Grant Program

Farmworker Housing Grant Program

HOME Investment Partnerships Program

BEGIN/Building Equity and Growth in Neighborhoods

Housing Assistance Program

Mobilehome Park Resident Ownership Program

Office of Migrant Services

Rural Predevelopment Loan Program

State Community Development Block Grant Program

Disaster Recovery Initiative

Economic Development Allocation

Enterprise Fund

General, Native American, and Colonias Allocations

Planning and Technical Assistance Grants

HUD Secretary Cuomo Declares April 6-12 National Community Development Week

This year, we celebrate the 24th anniversary of the most effective and successful tool ever put to work in America's communities, the Community Development Block Grant (CDBG) Program.

The CDBG programs primary objective is the development of viable urban communities by providing decent housing, a suitable living environment and expanded economic opportunities, principally for low- and moderate income persons.

From major metropolitan cities to rural communities, the CDBG program has been the driving force and often the only source of grant funds behind housing rehabilitation, neighborhood improvements, and local economic development activities. Through improvements to water and sewer systems, loans for local business development, services for lower income elderly and poor children, and home improvement loans and grants, CDBG continues to help create a better way of life in our communities. CDBG has the strength of a targeted but flexible approach to solving the problems in our communities that are locally determined and prioritized, while fostering cooperative relationships between the public and private sectors.

Housing Development Excellence

City of Oakland's Jingletown Homes

It's not surprising that Jingletown Homes received the State Housing Director's Award for Housing Development Excellence. This exciting new project, which was initiated by community residents, is located in the City of Oakland nestled between the historic Del Monte cannery and a former cotton mill.



It all started in 1989, when the community began to clean up a five acre lot which at the time was filled with junk cars. Once the lot was cleaned up they began a year long effort to overcome opposition and rezone the lot from industrial to residential.

Jingletown was designed for the specific needs of first-time homebuyers in this established neighborhood of 250 families. The project's design resulted from a series of workshops conducted by Pyatok Associates, the project architect, involving the Oakland Community Housing, Inc. (OCHI), Mary Help of Christian Church, Oakland Community Organizations and residents of the community.

The 53-unit new development has two and three bedroom homes with prices ranging from \$98,000 to \$129,000. Thirty-four units are expandable such that additional bedrooms, baths and space for home offices can be added. This feature allows extended families to live together and expands opportunities for added income.

Public financing for Jingletown was provided by the U.S. Department of Housing and Urban Development (HUD), City of Oakland's Redevelopment Agency, and the City of Oakland's Community and Economic Development Agency, which in turn attracted private funding from Federal Home Loan Bank, Wells Fargo Bank and Cal Fed Bank.

Oakland's Jingletown was one of six new successful affordable housing projects that received the State Award. The award recipients were selected based upon the level of RDA participation, the number of units assisted, community problems or needs addressed and the described overall success of the projects or programs.

This award also highlights the important role of redevelopment agencies in addressing California's housing problems.

Jingletown was selected by HUD and the National Partners in Homeownership as one of the 14 national models in the **"Building Innovation in Homeownership" Program**. The Program seeks to recognize and assist developers whose innovative construction techniques can lower the cost of home-building. Jingletown also received the **1997 Pacific Coast Builder's Gold Nugget Award** for Best Affordable Attached Community.



A CAREFUL EYE ON CALIFORNIA'S HOUSING

HOUSING POLICY DEVELOPMENT

The Division of Housing Policy Development (HPD) identifies California's housing needs and develops policy recommendations to meet those needs. HPD prepares and implements the California Statewide Housing Plan, the State's guiding housing policy document; prepares the Consolidated Plan for submission to HUD ensuring California's receipt of millions of federal housing and community development dollars; administers State housing element law; and develops strategies to reduce and remove regulatory barriers. The following describes how the Division attains its goals:

- reviews and comments on local housing elements and assists cities and counties in implementing State housing laws;
- identifies regulatory barriers and develops strategies for their removal;
- develops policy recommendations to address state housing needs;
- reviews a variety of policies and programs for housing effects and implications;
- provides a wide range of technical assistance to local jurisdictions, public and private housing providers, housing advocates and interested citizens;
- proposes and comments on housing legislation; and
- conducts research on housing issues.

Local Assistance and Research

The Division provides assistance in developing and implementing local housing and land use programs. The Section provides research and advice on funding sources and development approaches, planning, zoning, and other regulatory options. The Section conducts and publishes housing surveys, prepares mandated reports and technical assistance papers.

The Department's Clearinghouse for Affordable Housing Finance matches the goals of affordable housing sponsors with funding sources, including federal, State and local housing programs, as well as private lenders, foundations and other sources of funds of housing.

Policy Planning and Review

HPD develops and implements statewide housing policies including the Statewide Housing Plan and the federally required Consolidated Plan.

The Division also reviews local housing elements; formulates review policies, standards and staff training; and provides housing element technical assistance, and regional workshops.

Statistics

HPD develops, collects, analyzes data and reference materials on housing conditions in California. The Division is responsible for maintaining statistical information and materials on housing conditions and trends. Research activities include preparation of data and analyses on housing costs, market conditions, construction trends, and the impact of such trends and conditions.

Housing Resource Center

The Housing Resource Center (HRC) acquires, organizes and disseminates a large collection of housing and community development related resource materials in support of the policy and program activities of the Department. The HRC develops information technology resources, including the HRC web pages, to provide technical assistance to local governments and to facilitate achievement of Department and State housing goals.

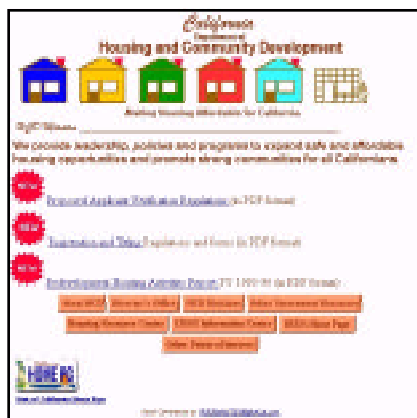
The HRC Coordinator provides training and consultation to Department staff and others on the use of electronic information resources (i.e., Internet, library catalogs, data bases). The HRC library cooperates with other libraries in the state to disseminate information to citizens in support of the division and Department goals.

Among other tools, the HRC communicates its activities, provides information and technical assistance to local governments via HCD's web site.



Plugging into HCD's Clearinghouse via the website

After nearly four years of successful operations and hundreds of satisfied information seekers, the Clearinghouse for Affordable Housing, Community and Economic Development will soon be available to Internet users.



The Clearinghouse for Affordable Housing, Community and Economic Development is a database including over 400 programs and funding sources, consisting of federal, state and local government programs, private lenders, foundations and other sources of funds for affordable housing, community and economic development. It provides detailed information about potential funding sources for affordable housing, community and economic development. Requests are typically received by phone or e-mail from project sponsors, businesses, legislators, local government agencies and

concerned citizens, many of whom are trying to buy their first home.

The Clearinghouse offers in-depth descriptions of each funding source, including type and terms of assistance, eligible activities, funding priorities, eligible applicants, current funding amounts, application information, including NOFA schedules and deadlines, and geographic restrictions on funding. Developed by Data Processing staff in conjunction with the Division of Housing Policy Development (HPD), the database is administered by HPD

staff, who receive requests for information, make searches of the database for customers, print and send customers packages of programs, research new and existing programs, enter new programs and update programs on a regular basis.

A typical interaction with a customer begins with an inquiry via phone or e-mail. After some initial phone or electronic communication to ascertain the needs of the customer, a search of the database is made by HPD staff. Pertinent program information is printed and compiled for mailing to the customer. Those who have received information from the Clearinghouse are very happy with the service, according to customer surveys sent with each package. The only consistent recommendation for improvement mentioned by customers has been to convert the database to on-line availability. Providing the service on-line was always the goal in developing the Clearinghouse, since an on-line system can serve greater numbers of customers. HPD anticipates that the time saved in responding to inquiries and making searches could be used to expand and improve the Clearinghouse.

The costs associated with converting the database to an on-line system have been a roadblock to the conversion. Housing Policy Development staff are working with the Department's Data Processing Branch on various approaches to formatting the information for delivery to the web site, including the most accessible method of saving reports as pdf (portable data format) files until the actual conversion to an on-line system occurs.

A great deal of progress has been made and the Clearinghouse should be available on our web site in the not-too-distant future—a great culmination to more than four years of work!

**For more
information
contact:**

Moira Monahan
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**“...joining together
under the CHC
banner will make
California housing
interests’ voices
louder and heard
more often...”**

**For more information
contact:**

Kevin Conner
(408) 277-1972
kconner@hcd.ca.gov

or

California Housing Coalition
(408) 297-7127

HCD JOINS OTHERS TO CREATE New Statewide Housing Coalition

For the last year, HCD has been working with other housing and business groups to establish a statewide organization to promote affordable housing. The “California Housing Coalition” (CHC) is an affiliate of the National Housing Conference and its membership includes representatives from builders, developers, owners, lenders, investors, nonprofit agencies, residents, private employers, and public agencies.

“The CHC brings together a broad range of housing stakeholders to build a partnership on policy issues that expand and improve affordable housing opportunities for all Californians,” explains the CHC’s Chair Alex Sanchez, who also serves as the City of San Jose’s Housing Director. “We believed there was need for a statewide organization to build consensus on key issues and communicate those positions to California’s federal and state decision makers.”

To focus its efforts, the CHC defined specific goals and made a list of State and Federal priority issues it wanted to influence. The priority issues included:

- Preserving and increasing resources for affordable housing.

- Increasing resources to address problems with Section 8 renewals.

- Maintaining and expand tax credits, private activity bond allocation levels, and other incentives.

- Influencing the design of welfare reform to reduce its impacts on affordable housing programs.

- Increasing public awareness regarding the need and benefits of adequate housing supply.

In considering the issues, CHC committees work to develop policy positions that most, if not all, of the members can support. With such support, the CHC then issues policy papers, visits legislators, and writes letters promoting a united, California housing position. “We found that most of the CHC members were working on the same issues, with similar goals, but not together,” Sanchez added. “The members hope that joining together under the CHC banner will make California housing interests’ voices louder and heard more often in Washington and Sacramento.”

In the last year, the CHC can point to a number of achievements.

In May, the CHC hosted Congressman Jerry Weller for a roundtable discussion of housing issues. As a member of the House Ways and

Means Committee and the Republican Housing Opportunity Caucus, Congressman Weller has been an important ally in successfully defending the Low Income Housing Tax Credit in Congress.

In September, the CHC developed a policy position paper regarding Section 8 renewals and forwarded it to the California Congressional delegation. With California having more than 100,000 apartments with Section 8 project-based rental assistance, CHC members wanted California representatives to have and understand California housing advocates' position on the possibility of the expiration of Section 8 contracts.

In January, more than 100 CHC members signed a letter to the California Congressional delegation in support of legislation to increase the Low Income Housing Tax Credit cap from \$1.25 to \$1.75 per capita.

In addition to its lobbying efforts, the CHC is planning two major events for 1998.

The first will be a general membership meeting with Congressman Jerry Lewis in May. Congressman Lewis chairs the House Appropriations subcommittee overseeing the Department of Housing and Urban Development. This event will allow California housing interests to discuss their views regarding the federal government's role in providing affordable housing.

The CHC will also be the host for the National Housing Conference's convention in San Francisco this Fall. The convention will not only provide California housing groups with an opportunity to network and coordinate with counterparts from other states, but also enable the CHC to highlight some of California's critical housing issues.

AWARDS

On February 26, HCD honored 11 employees who have made exceptional contributions to the efficiency of the Department and to the State of California. Featured below are two Award recipients from the Division of Community Affairs.

Ken Crawford and Richard Golladay (pictured l to r) received the Gold Superior Accomplishment Award for exhibiting unequalled personal efforts to overcome unusual difficulties in producing outstanding quantities of new and reconstructed migrant centers in California.

Crawford and Golladay are the "expert development team" for the HCD Office of Migrant Services (OMS). The primary mission of the OMS program is to operate and maintain 26 migrant centers and accessory buildings (daycare, laundry, office, health clinic and community center) that provide affordable housing in 16 counties to over 12,000 migrant farmworkers and their families during the peak harvesting season each year.

Over time, the condition of the OMS migrant centers, built circa 1965-70, began to deteriorate. The OMS team recognized the importance of seeking development funds for the construction of the old centers in addition to the demand for new centers.

An initial source of construction bond funds was passed by voters for \$10 million. OMS issued three state-wide NOFAs for, but did not receive any applications – only years of frustration. This was due to several primary obstacles: the applicants' lack of Article 34 Referendum, which is required to construct **new** units; inability to meet the State's matching funds requirement; and lack of project feasibility.

Crawford and Golladay did not give up. They convinced management to target the funds toward the reconstruction of existing centers, rather than new construction.



Most program staff are not involved in competitive grantsmanship activities. The OMS team displayed an extraordinary personal effort, over and above their primary job assignment of property management, to apply for

federal Rural Development (RD, formerly Farmers Home Administration) funds to reach a desired objective; the reconstruction of **all** existing migrant centers and development of **new** additional migrant centers.

The team has been involved in the completion of six federally financed migrant centers totaling over \$20 million in RD funds. Including two new centers and the reconstruction of four older centers, representing 25 percent of State OMS housing stock.

Ingenuity and creativity enter into the whole picture as the OMS team successfully leveraged other sources of funding, including State CDBG funds and significant general fund construction appropriations as part of an approved multi-year schedule to replace 1,100 units.

The benefits extend beyond the OMS Program and Department. The real beneficiaries are migrant workers and their families with a significant improvement in their quality of life. Crawford and Golladay's achievements are an exemplary example of carrying out the mission of the Rural Services Branch to increase, maintain, and improve safe and affordable housing, supportive services and create economic opportunities and a healthy environment for California's farm workers, Native Americans, and other rural residents.

AWARDS CONTINUED ON PAGE 8

Improving Customer Service

This month the Division of Community Affairs will begin the first annual revision, update and expansion of its Strategic Plan. The updated plan will provide the Department with a blueprint for improving its systems and service for program year 1998/99. Among other items, the Division will consider:

1. Taking action on six action items identified by Community Affairs staff during our February 1998 strategic planning offsite. In addition, the Division will review 26 other identified items for future action.
2. Conducting another annual customer survey regarding the Division's services and systems.
3. Identifying the Division's core competencies and areas for additional training and development.
4. Establishing and tracking Division performance measures.

Through action on the above items, the Division will continue to improve and expand its housing and community development services.

PETE WILSON, Governor

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Mark your calendar

HOME Contract Management Workshops
24 March – Redding
26 March – Fresno
31 March – Sacramento

CAPER Public Hearing
14 April – Los Angeles
16 April – Sacramento



STATE OF CALIFORNIA
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Awards
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Department of Housing and Community Development

Reader Survey

1) The California Neighborhoods newsletter is very informative.

Stongly Disagree

Strongly Disagree

1

2

3

4

5

2) The articles are timely.

Stongly Disagree

Strongly Disagree

1

2

3

4

5

3) The format of this newsletter is visually attractive?

Stongly Disagree

Strongly Disagree

1

2

3

4

5

4) Which current topics do you find interesting?

- ☐ Department Services
- ☐ Loan and Grant Information Successful Projects
- ☐ Housing Industry News
- ☐ Accomplishments

5) What topics would you like to see in California Neighborhoods?

6) Do you have suggestions for improvement?

Thank you for responding to our survey. We appreciate your time.

Return Address

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